

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-14-26
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations
Disabled and Elderly Health Programs Group
Division of Integrated Health Systems

August 13, 2003

Mr. Jason Cooke
Associate Commissioner for Medicaid/CHIP
Texas Health and Human Services Commission
4900 North Lamar
Austin, Texas 78711

Dear Mr. Cooke:

I am pleased to inform you that the Centers for Medicare & Medicaid Services (CMS) is approving Texas's request for renewal of the NorthSTAR waiver program, authorized under 1915(b)(1), (2) and (4) of the Social Security Act (the Act). Texas's request for a waiver of Sections 1902(a)(1) (Statewideness), 1902(a)(10)(B) (Comparability of Services), 1902(a)(23) (Freedom of Choice) and 1902(a)(4) of the Act, is approved for a two year period beginning on October 1, 2003, through September 30, 2005, as requested in your June 30, 2003, letter.

The decision to approve the renewal of this waiver is based on evidence submitted to CMS demonstrating that the State's proposal is consistent with the Medicaid program and will meet all statutory and regulatory requirements for assuring beneficiaries access to care, quality of services, waiver cost-effectiveness for section 1915(b) waiver programs and will not restrict emergency services. If the State decides to request an additional renewal of this program, the renewal application must be submitted at least 90 days prior to the expiration date of this waiver.

The State should ensure that it has begun reporting expenditures for this waiver on the CMS-64 by waiver no later than the quarter ending September 30, 2003. The CMS Central Office and Regional Office staff are available to provide technical assistance in this area should you need it. In addition, CMS would like to remind the State that the new 1915(b) cost effectiveness test will be required for subsequent renewals or amendments of this waiver.

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We appreciate the State's efforts in continuing this program and wish you much success in the next waiver period. If you have any questions, please contact Mary Pat Farkas in the CMS Central Office, at 410-786-5731 or Linda Territo in the CMS Dallas Regional Office, at (214) 767-6327.

Sincerely,

/s/

Theresa A. Pratt
Director

cc:

Linda Territo, Regional Office
James Randolph, Associate Regional Office
Peggy Clark, Central Office
Mary Pat Farkas, Central Office